



Erie County Industrial Development Agency  
Meeting of the Membership  
January 23, 2019  
@ 12:00 p.m.  
95 Perry Street  
5th Floor ESD Conference Room  
Buffalo, New York 14203

**1.0 Call to Order**

- 1.1 Call to Order Meeting of the Membership
- 1.2 Welcome New Board Member Hon. April Baskin- Chair, Economic Development Committee

**2.0 Approval of Minutes:**

- 2.1 Approval of Minutes of December 19, 2018 Meeting of Membership (Action Item) (Pages 2-5)

**3.0 Reports / Action Items / Information Items:**

- 3.1 Sale of Athenex Stock-Fee Payment (Action Item) (Pages 6-9)
- 3.2 2018 Tax Incentive Induced/Closing Schedule/ Estimated Real Property Tax Impact – (Information) (Pages 10-12)
- 3.3 Policy Committee Update – (Information) (Pages 13-17)
  - a) Unifrax Employment Discussion (Action Item) (Pages 18-31)

**4.0 Inducement Resolutions:**

**ECIDA  
Incentives**

**Private  
Investment**

**Municipality**

- 4.1 (None)

**5.0 Amendatory Inducement Resolutions:**

- 5.1 ROAR Logistics (Action Item) (Pages 32-58)

**6.0 Management Team Reports:**

- 6.1 Legal RFP Update (Page 59)

**7.0 Adjournment - Next Meeting February 27, 2019 at 12:00 p.m.**

**MINUTES OF THE MEETING  
OF THE  
MEMBERSHIP OF THE  
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)**

- DATE AND PLACE:** December 19, 2018, at the Erie County Industrial Development Agency (the “ECIDA” or “Agency”), 95 Perry Street, 5<sup>th</sup> Floor ESD Conference Room, Buffalo, New York 14203
- PRESENT:** Hon. Diane Benczkowski, Rev. Mark E. Blue, Hon. Joseph H. Emminger, Tyra Johnson, Hon. Brian J. Kulpa, Richard Lipsitz, Jr., Brenda W. McDuffie, John J. Mudie, Hon. Glenn R. Nellis, Hon. Mark C. Poloncarz, Hon. Darius G. Pridgen, Sister Denise Roche, Kenneth A. Schoetz, Charles F. Specht and Art Wingerter
- EXCUSED:** Hon. Bryon W. Brown, Hon. Patrick B. Burke, James F. Doherty, and Dottie Gallagher
- OTHERS PRESENT:** Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President; Karen M. Fiala, Assistant Treasurer; Mollie Profic, Chief Financial Officer; and Robert G. Murray, Secretary
- GUESTS:** Christopher Pawenski, Coordinator, Industrial Assistance Program, of the Erie County Environment & Planning Department; Andrew Federick, Erie County Senior Economic Development Specialist

There being a quorum present at 9:00 a.m., the meeting was called to order by Ms. McDuffie.

**MINUTES**

The minutes of the November 28, 2018 meeting of the members were presented. Mr. Nellis moved and Mr. Kulpa seconded, to approve of the minutes. Ms. McDuffie called for the vote, and the minutes were then unanimously approved.

**REPORTS/ACTION ITEMS/INFORMATION ITEMS**

Financial Report. Ms. Profic presented the November 2018 financial report, noting that the balance sheet shows that the Agency finished the month with total assets of \$28.9 million and net assets of \$22.3 million. The monthly income statement shows operating income of \$16,000. Operating revenue was on target with the monthly budget, as a result of higher than anticipated

interest income. Operating expenses were below budget by \$12,000. After special project grants, strategic initiatives and depreciation, it was essentially a break even month with net income of \$400. The year to date income statement reflects operating revenue of \$1.9 million, being \$615,000 behind budget for the year. Operating expenses are \$2.4 million and are \$240,000 below budget for the year. After special project grants, strategic initiatives and depreciation, there is currently net income of \$632,000 for the year. Ms. McDuffie directed that the report be received and filed.

At this point in time, Mr. Schoetz joined the meeting.

Banking Resolution. Ms. Profic presented members with M&T Bank's standard resolution to designate the Agency's Treasurer and Assistant Treasurer as Treasury Management signers on behalf of the Agency. The Agency is required to update its Treasury Management signers to include its current Assistant Treasurer, Atiqah Abidi. Mr. Lipsitz moved and Mr. Blue seconded, to resolve to appoint Assistant Treasurer, Atiqah Abidi, as a designated signatory to enter into and deliver to M&T Bank, any agreements, instructions and other documents which relate to M&T Bank's services to be provided to the Agency. Mr. Lipsitz moved, and Mr. Blue seconded, to approve of the banking resolution. Ms. McDuffie called for the vote, the M&T Bank resolution, as attached and made part of these minutes, was unanimously approved.

At this point in time, Mr. Emminger joined the meeting.

Local Government Records Management Fund Grant. Ms. Profic presented members with a memorandum describing a local government records management improvement fund grant that the Agency has recently received from the New York State Education Department as a source of funds to improve Agency record management and archival administration. Ms. Profic noted that the Agency applied for this \$35,000 grant in May of 2018 and has just obtained approval and as such, Agency staff is seeking approval to enter into a formal contract with New York State Archives, a unit of the New York State Education Department, for the Local Government Records Management Improvement Fund grant program. Mr. Poloncarz moved and Mr. Specht seconded, to approve of entering into a grant recipient contract. Ms. McDuffie called for the vote, and following resolution was unanimously approved:

RESOLUTION AUTHORIZING (i) THE ADOPTION, NEGOTIATION AND EXECUTION OF A CONTRACT BETWEEN THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AND THE NEW YORK STATE ARCHIVES FOR THE LOCAL GOVERNMENT RECORDS MANAGEMENT IMPROVEMENT FUND PROGRAM GRANT AWARD; AND (ii) TAKING ALL ACTIONS REASONABLY NECESSARY TO COMPLETE THE DOCUMENT CONVERSION AND ACCESS PROJECT INCLUDING CONTRACTING WITH A VENDOR FOR ELECTRONIC DOCUMENT MANAGEMENT SERVICES.

2018 Tax Incentive Induced/Closing Schedule/Estimated Real Property Tax Impact. Ms. Fiala presented this report. Ms. McDuffie directed that the report be received and filed.

Angola Ag-Business Park. Mr. Cappellino provided members with an update on Erie County's efforts to help local agricultural producers to develop new market opportunities. By way of background, Mr. Cappellino noted that in 2014, Erie County commissioned a feasibility study to identify a site suitable for the development of an agri-business park. In addition, Mr. Cappellino noted that Erie County Executive Mark Poloncarz had identified the purchase and development of an agri-business focused industrial park at the former Angola Airport as a priority in the County Executive's Initiatives for a Smart Economy 2.0. Mr. Cappellino continued on to state that over the last year that the ILDC has been working with property owners of the Angola Airport site and an adjacent parcel to acquire approximately 240 acres of land for the development of an agri-business park. The ILDC has executed letters of interest with two property owners and is seeking approval and funding for the acquisition of the property.

Mr. Cappellino stated that the total purchase price would be \$980,000 for the two parcels constituting 240 acres of real property. Mr. Cappellino estimates that miscellaneous closing costs could amount to approximately \$75,000 and property carrying costs are estimated at \$300,000 for the immediate short term, and as such, acquisition and carrying costs total \$1,355,000. Mr. Cappellino noted that Erie County has provided \$155,000 towards this effort by making the required deposit. As such, the ILDC is requesting the ECIDA provide UDAG funding in a total amount of \$1,200,000 for the acquisition, carrying and miscellaneous costs to acquire approximately 240 acres of real property located at the former Angola Airport site for the development of an agri-business park.

Mr. Emminger queried if the ILDC undertook a property appraisal. Mr. Cappellino confirmed that the ILDC did obtain an appraisal with respect to the purchase price of the real property.

Mr. Nellis thanked the Agency and Erie County for identifying and pursuing this very important project on behalf of Southtown communities and expressed support for the agri-business project.

Sister Denise queried if the site will be developed into a single or multi-tenant or multi-owner project. Mr. Cappellino stated that the preferred end user would be a single user, but it's more likely that several individual owners may end up acquiring the property over time.

Mr. Poloncarz then moved to approve of the land acquisition and granting of UDAG money to the ILDC. Mr. Poloncarz thanked Agency staff and Erie County staff for efforts to identify and negotiate property acquisition, noted that this has been a long term effort for Erie County for the benefit of the Southtowns, and noted that implementation of this project will benefit the agricultural sector of Erie County.

Mr. Specht seconded the motion. Mr. Kulpa then stated that he will abstain from participating in discussing the project and abstain from voting on the project. Ms. McDuffie called for the vote and the following resolution was unanimously approved with Mr. Kulpa abstaining:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("AGENCY"): (i) TO ENTER INTO A FUNDING AGREEMENT FOR ECONOMIC DEVELOPMENT PURPOSES WITH THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION TO GRANT \$1,200,000 IN THE FORM OF A PARTIALLY REFUNDABLE GRANT FROM THE AGENCY'S U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT URBAN DEVELOPMENT ACTION GRANT ("UDAG") REFLOW FUND; AND (ii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT

Policy Committee Update. Mr. Lipsitz stated that there is no report to be presented.

## **MANAGEMENT TEAM REPORTS**

At this point in time, Mr. Pridgen joined the meeting.

Mr. Weathers distributed the 2019 Board meeting schedule to members. Mr. Weathers provided members with an update on the Legal RFP process. Mr. Weathers also noted that the Agency is analyzing opportunities related to the Federal Opportunities Zone program, and noted that there are 23 designated Opportunity Zones within Erie County. Mr. Weathers stated that the Agency will be hosting an Opportunity Zone educational meeting on January 9<sup>th</sup> with various not-for-profit entities and elected officials and encouraged members to join in.

Mr. Weathers noted that the ILDC has received a 1.75 million dollar grant towards construction of the Net Zero facility and thanked Lori Szewczyk for her efforts in pursuing the grant.

There being no further business to discuss, Ms. McDuffie adjourned the meeting of the Agency at 9:30 a.m.

Dated: December 19, 2018

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Robert G. Murray, Secretary

**Item 3.1**

**MEMORANDUM**

To: ECIDA Board of Directors  
From: Steve Weathers, CEO  
Mollie Profic, CFO  
Re: Sale of Athenex Stock – Fee to Insyte Consulting  
Date: January 23, 2019

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In 2005, the Buffalo & Erie County Industrial Land Development Corporation made an investment of \$50,002.50 in Athenex, Inc. (f/k/a Kinex Pharmaceuticals, Inc.) as part of a conglomerate known as the Western New York Business Development Fund (“BDF”). Insyte Consulting (formally Western New York Technology Development Center, Inc.) serves as the agent in evaluating, negotiating and consummating investments on behalf of the BDF participants. ILDC’s original investment of \$50,002.50 yielded 6,667 Series A Preferred units of Kinex. In 2010, ILDC’s investments were transferred to ECIDA for tax purposes. Later in 2010, Kinex issued ECIDA 1,113 common shares to pay a 7% accrued dividend on preferred units. In 2014, the 6,667 preferred units were adjusted to 7,333 common shares in a reclassification by Kinex. In 2015, Kinex changed their name to Athenex. As Athenex continued to grow, another stock dividend occurred in late 2015. The total number of common shares held by ECIDA grew from 8,446 to 33,787. ECIDA holds a book value of \$50,002.50 for these shares (\$1.48/share). In 2017, Athenex initiated the process for a potential initial public offering (IPO). At that point, as is customary, ECIDA signed a lock-up agreement, agreeing not to sell its shares of Athenex for six months after the initial public offering. After a June 14, 2017 IPO, the lock-up period expired on December 10, 2017. The Board approved the sale of Athenex stock between January 1 – June 30, 2018 at its meeting of December 20, 2017.

Under the First Amended and Restated Master Participation Agreement (“MPA”) between the BDF participants and WNY Technology Development Center, Inc., Insyte Consulting may be owed compensation equal to “15% of all moneys available for distribution after ECIDA has received distributions of two times the total dollar amount of the original investment”. Harris Beach reviewed the MPA and related documentation dating back to its signing and provided its analysis in March 2018, noting some uncertainty around the terms of the fee calculation due to Insyte, primarily because of the lack of definition given to the term “distribution”. It was recommended that the ECIDA follow up with the other MPA participants to see if they have paid a fee to Insyte, and what calculation the fee was based on. The Board agreed with this approach during an attorney-client privilege session on June 27, 2018.

ECIDA staff has confirmed with the other MPA participants that they have or plan to pay Insyte Consulting as originally proposed by Insyte.

The compensation calculation originally proposed by Insyte is based on the opening stock price of \$15.75 on the day after the lock-up agreement expired, December 11, 2017. Under this methodology, ECIDA's payment to Insyte calculates to \$64,821.04. This amount will be paid from UDAG funds, as the original investment was made using UDAG monies.

Value of shares on 12/11/2017	\$532,145.25
Less 2x original investment	<u>(100,005.00)</u>
	\$432,140.25
Fee to Insyte	<u>15%</u>
	\$ 64,821.04

ECIDA sold all of its shares as summarized in the table below:

Date	# of Shares	Average Share Price	Cash Received
5/3/2018	3,000	\$16.2218	\$48,665.40
5/10/2018	3,000	16.9199	50,759.70
5/31/2018	1,400	16.1000	22,540.00
6/1/2018	3,600	16.0078	57,628.08
6/4/2018	5,000	16.7288	83,644.00
6/11/2018	5,000	16.7050	83,525.00
6/14/2018	5,000	17.6235	88,117.50
6/15/2018	5,000	18.1410	90,705.00
6/18/2018	2,787	19.3900	53,981.76
<b>Total</b>	<b>33,787</b>	<b>\$17.0931 avg/share</b>	<b>\$579,566.44</b>

As discussed with the Board under attorney-client privilege on June 27, 2018, although the ambiguity in the language of the MPA could be resolved in favor of the ECIDA with a lower fee (or no fee) being payable, it could also be interpreted to require a higher fee. For instance, Insyte could argue that the 15% fee be calculated based on the actual value of cash received in the sales of the stock (\$579,566.44) rather than the opening price of the shares on 12/11/2017 (\$532,145.25). In addition, Insyte could argue that the language of the MPA requires that the 15% fee be calculated based on the total sales price, without excluding 2x the original investment amount. While the ambiguity could provide a basis for challenging the payment, the ECIDA could also face legal costs that would offset any financial benefit of refusing to make the payment as proposed.

#### **Requested Action:**

Staff is requesting approval of the attached resolution to authorize payment of a \$64,821.04 fee to Insyte Consulting as compensation related to the sale of Athenex stock.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
RESOLUTION**

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, January 23, 2019, at 12:00 p.m.

The following resolution was duly offered and seconded, to wit:

**RESOLUTION AUTHORIZING THE PAYMENT OF A COMMISSION FEE  
TO INSYTE CONSULTING**

WHEREAS, in 1999, the Buffalo & Erie County Industrial Land Development Corporation (“ILDC”) entered into a certain Master Participation Agreement with the New York State Science and Technology Fund, the Amherst Industrial Development Agency, the TDC Foundation, the University of Buffalo Foundation and the Western New York Technology Development Center, Inc. (now known as Insyte Consulting, hereinafter, “Insyte”) to set up a framework for a “WNY Business Development Fund” to invest in start-up companies (the “Original MPA”); and

WHEREAS, the Original MPA was amended on February 28, 2005 (the “MPA”) and Section 9 of the MPA provides that Insyte shall be entitled to receive compensation for services provided to the parties under the MPA, such services as so described within the MPA, in an amount equal to 15% of all moneys available for distribution after parties to the MPA have received distributions of two times the total dollar amount of the original investment; and

WHEREAS, in April, 2005, the ILDC made an investment of \$50,002.50 in Athenex, Inc. (f/k/a Kinex Pharmaceuticals, Inc., hereinafter referred to as the “Company”) in accordance with the terms of the MPA; and

WHEREAS, ILDC’s original investment of \$50,002.50 yielded 6,667 Series A Preferred units of the Company; and

WHEREAS, effective on January 1, 2009, the ILDC transferred all of all of its right, title and interest in and to its Series A Preferred Stock and common stock of the Company to the Erie County Industrial Development Agency (the “Agency”) and through December 2017, the total number of common shares held by Agency grew from 8,446 to 33,787 (the “Securities”); and

WHEREAS, in June, 2017, the Company initiated the process for an initial public offering and related thereto, Agency Staff determined that because the Company had achieved economic viability through its initial public offering, and stabilized its business, there is no further economic development benefit from continuing to hold the Securities, and it therefore is in the best interest of the Agency to dispose of the Securities at a price at or above fair market value; and



WHEREAS, in addition, because the Securities are no longer a permitted investment under Sections 10, 11 and 858-a of the New York General Municipal Law, and because the Agency now has the ability to dispose of the Securities through the public market, the Agency resolved, on December 20, 2017, (the "Resolution") to sell the Securities as permitted by the Rule 144 of the Securities Act of 1933, as amended and in accordance with the Agency's Property Disposition Guidelines ("Guidelines") and the provisions of the New York Public Authorities Law ("PAL"), and subject to such exceptions and/or requirements set forth in the Guidelines and the PAL; and

WHEREAS, effective with the adoption of the Resolution, the Agency has sold all of its right, title and interest in and to the Securities; and

WHEREAS, the Agency desires to confirm the payment required to be made to Insyte as compensation for services rendered in accordance with Section 9 of the MPA in an amount equal to \$64,821.04, representing 15% of \$532,145.25, being the value of the opening stock price of the Company's stock on December 11, 2017 (\$15.75) multiplied by the number of Securities held by the Agency on that date, less \$100,005.00, being an amount equal to two times the Agency's initial investment made in the Company in 2005.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency confirms the calculation and amount of the commission payment required to be paid to Insyte in the amount of \$64,821.04, as described herein, and directs that such payment be made to Insyte, all in accordance with Section 9 of the MPA.

Section 2. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to pay the commission fee to Insyte as described herein and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 3. This Resolution shall take effect immediately.

Dated: January 23, 2019

# Tax Incentives Induced 2018

Project Name	Project City	Inducement Amount	FT Jobs at App	Projected Year 2 FT Jobs	PT Jobs at App	Projected Jobs Year 2 PT
683 Northland /Workforce Training Center*	Buffalo	\$ 99,035,011	0	18	0	0
Emerson Huron*	Buffalo	\$ 37,919,442	60	60	0	0
Pierce Arrow Kanaka, LLC	Buffalo	\$ 34,535,000	0	3	0	2
467 Richmond Avenue/REVPAC*	Buffalo	\$ 10,775,636	3	4	0	0
Michigan Broadway	Buffalo	\$ 6,614,244	3	6	0	2
Ebenezer Railcar Services, Inc.	West Seneca	\$ 6,000,000	84	97	0	0
1485 Niagara, LLC	Buffalo	\$ 5,600,000	53	53	0	1
2855 Clinton Street/Shell Fab*	Buffalo	\$ 3,018,000	45	55	0	0
Column Development	Cheektowaga	\$ 3,000,000	30	38	0	0
Roar Logistics, LLC	Buffalo	\$ 2,610,000	43	57	0	0
Niagara Label/12715 Lewis Road, LLC	Newstead	\$ 1,915,000	49	54	1	1
Tomric Systems Expansion/Acquest Development	Buffalo	\$ 1,575,000	25	27	1	1
Group V Real Estate, Inc. / Athenex Pharma Solutions	Newstead	\$ 1,517,500	55	80	0	0

\$ 214,114,833 450 552 2 7

13 Projects

102 Projected FTE New Jobs

5 Projected PT New Jobs

\*Amendatory Inducement 2855 Clinton Street/Shell Fab from 2016 approval increasing dollar amount from \$2,735,000 to \$3,018,000

\*Amendatory Inducement 683 Northland from 2017 approval increasing dollar amount from \$58,067,917 to \$99,035,011

\*Amendatory Inducement Emerson Huron from 2017 approval increasing dollar amount from \$36,798,900 to \$37,919,442

\*Amendatory Inducement 467 Richmond Avenue/REVPAC from 2017 approval for an addition of one 404 sq. ft. apartment unit

**Tax Incentives Closings - 2018**

Project Name	Project Amount at Closing	FT Jobs at App	Projected Year 2 FT Jobs	PT Jobs at App	Projected Year 2 PT Jobs	Project City	Induced Date	Est. Project Completion Date
Emerson Huron, LLC	\$ 38,148,000	60	60	0	0	Buffalo	12/20/2017	9/30/2020
Pierce Arrow Kanaka, LLC	\$ 34,148,000	0	2	0	0	Buffalo	8/22/2018	6/30/2020
Unifrax 1, LLC.	\$ 28,700,000	0	25	0	0	Tonawanda	4/26/2017	3/31/2018
Sodexo	\$ 8,065,299	511	511	0	0	Cheektowaga	8/18/2015	11/30/2017
Pearl Group, LLC	\$ 6,079,760	0	30	0	10	Buffalo	8/23/2017	12/31/2018
166 Chandler Holdings, LLC	\$ 4,695,000	5	10	0	0	Buffalo	5/25/2018	5/31/2019
Great Lakes Orthodontics, Ltd.	\$ 4,629,766	221	230	0	0	Tonawanda	6/22/2016	12/31/2017
Tecumseh Redevelopment	\$ 3,455,000	0	0	0	0	Lackawanna	4/26/2017	1/31/2018
Aakron Rule Corporation	\$ 2,670,000	142	155	6	6	Akron	4/26/2017	9/11/2019
Column Development	\$ 2,500,000	30	38	0	0	Cheektowaga	7/25/2018	5/31/2019
Group V Real Estate, Inc. / Athenex Pharma	\$ 1,697,388	55	80	0	0	Newstead	2/21/2018	12/31/2019
Western New York Foreign Trade Zone	\$ 1,516,000	5	6	0	0	Lackawanna	10/26/2016	9/30/2018
Rosina Food Products, Inc.	\$ 738,000	217	221	0	0	Cheektowaga	3/1/2018	12/31/2017
13 Projects								
122 FT Projected New Jobs								
10 PT Projected New Jobs								
	\$ 137,042,213	1,246	1,368	6	16			

**ESTIMATED TAX IMPACT (SUBJECT TO RESTRICTIONS OF NYS TAX CAP)  
2018 CLOSINGS**

<b>PROJECT NAME</b>	<b>PRE-PROJECT VALUE</b>	<b>EST. OR ACTUAL INCREASE IN ASSESSED VALUE DUE TO PROJECT</b>	<b>COUNTY TAX RATE</b>	<b>LOCAL TAX RATE</b>	<b>PROJECTED INCREASE IN COUNTY TAXES AS A RESULT OF THE PROJECT OVER ABATEMENT PERIOD</b>	<b>PROJECTED INCREASE IN LOCAL TAXES AS A RESULT OF THE PROJECT OVER ABATEMENT PERIOD</b>
Great Lakes						
Orthodontics	\$0	\$1,174,000	\$12.38	\$80.00	\$30,500	\$197,000
Aakron Rule	\$0	\$1,550,000	\$8.39	\$24.00	\$20,000	\$67,000
Unifrax	\$0	\$1,716,000	\$13.30	\$80.00	\$34,000	\$205,000
Group V Real Estate	\$0	\$300,000	\$5.01	\$17.60	\$3,100	\$11,000
WNY Foreign Trade Zone	\$0	\$660,000	\$6.76	\$63.00	\$6,600	\$62,000
Column Development	\$0	\$1,000,000	\$5.23	\$26.00	\$7,800	\$25,000
Emerson Huron*	\$482,700	\$12,000,000	\$6.00	\$27.00	\$929,000	\$648,000
Pierce Arrow Kanaka*	\$935,000	\$9,800,000	\$7.13	\$28.21	\$758,000	\$524,000
*denotes company has or intends to file for City 485-a exemption		*The final assessment on each project is determined by the assessor of the respective municipality		<b>Total</b>	<b>\$1,789,000</b>	<b>\$1,739,000</b>

**MINUTES OF A MEETING OF THE  
POLICY COMMITTEE OF THE  
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**MEETING:** January 3, 2019, at Erie County Industrial Development Agency, 95 Perry Street, 5<sup>th</sup> Floor Conference Room, Buffalo, New York

**PRESENT:** Rev. Mark E. Blue, Hon. Johanna Coleman, Richard Cummings, Colleen DiPirro, Hon. William J. Krebs, Richard Lipsitz, Jr., Brenda W. McDuffie, Laura Smith, David J. State and Maria Whyte

**ABSENT:** Hon. April Baskin, Hon. Byron W. Brown, John J. Mudie and Hon. Glenn R. Nellis

**OTHERS PRESENT:** Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President; Karen M. Fiala, Assistant Treasurer; and Robert G. Murray, Secretary

**GUESTS:** John Thurber, Jeff Lupinacci, John Dandolph, on behalf of Unifrax; Jim Briggs and Valerie Thomas, on behalf of United Steel Workers; Andrew Federick, Erie County Senior Economic Development Specialist

There being a quorum present at 9:03 a.m., Mr. Lipsitz called the meeting of the Policy Committee to order.

**MINUTES**

The minutes of the December 6, 2018 Policy Committee meeting were presented. Upon motion made by Ms. McDuffie, and seconded by Mr. Krebs, the aforementioned Policy Committee meeting minutes were unanimously approved.

**PROJECT MATRIX**

Mr. Cappellino reviewed the Agency's project matrix. Mr. Lipsitz directed that the report be received and filed.

**UNIFRAX EMPLOYMENT DISCUSSION**

At this point in time, Mr. Cappellino introduced Mr. Thurber, Mr. Lupinacci and Mr. Dandolph as representatives of Unifrax to the committee. Mr. Cappellino also introduced Mr. Briggs and Ms. Thomas as representatives of United Steel Workers.

Mr. Cappellino provided an overview of the Unifrax Firetower project and related material terms and conditions required to be met and obtained by Unifrax as a condition of receipt of financial assistance. Mr. Cappellino noted that the Agency approved an approximately \$33,000,000 project for a new Unifrax facility located at 360 Firetower Drive in the Town of Tonawanda in 2014. In exchange for sales tax benefits and a real property tax abatement, Unifrax was required to retain 268 employees and create an additional 21 positions by June 2018. Accordingly, Unifrax was required to have 289 employees as of June 30, 2018.

On September 30, 2018, Unifrax provided certification that it was compliant with all job creation requirements and reported 323 employees. However, on October 12, 2018, Unifrax, subsequent to informing the Agency with respect to its September 30, 2018 employment numbers, informed the Agency of a pending permanent layoff of approximately 45 employees. Unifrax is now reporting a total of 257 employees at the Firetower location, which is 32 employees short of its employment requirement of 289 employees. Mr. Cappellino noted that the Agency, in September 2018, approved a two-tiered retention goal of 90% or 95% (depending on the number of employees a company has), however, the policy specifically does not apply to permanently laid off employees.

Mr. Cappellino noted that Unifrax has two other locations in Erie County, at 95 Pirson Parkway and 600 Riverwalk Parkway, both in the Town of Tonawanda. Mr. Cappellino noted the Agency does have a continuing incentive on the Pirson Parkway facility. Mr. Cappellino noted that both facilities have employment which is not part of the numbers for the Firetower complex as just described, and specifically noted as of October 2018, there are 27 FTE employee positions at the Pirson Parkway facility and 117 FTE employees at the 600 Riverwalk Parkway facility. Mr. Cappellino then reviewed the two options for recapture of real property tax abatement benefits as previously discussed with the Policy Committee as follows:

Option 1 would effectively suspend Unifrax's PILOT benefit until it meets its employment requirements and as such, Unifrax would pay full taxes until it obtained its goal of 289 employees.

Under Option 2, the Agency would increase Unifrax's PILOT payment amount that it must pay based on the percentage that Unifrax is out of compliance with its employment commitment. Because Unifrax has an 11% shortfall in overall employment requirements, under Option 2, the Agency would require Unifrax to pay an additional 11% above its 2019 PILOT payment amount for county, town and school taxes.

Mr. Cappellino also noted that these two options were discussed at the last meeting of the Policy Committee and the matter was tabled for additional discussion at today's meeting whereat representatives of Unifrax, who are here today, were requested to be present.

Mr. Lupinacci provided members with an update of Unifrax business operations and noted that global demand for products produced at the Firetower location have changed, affecting the production line at Firetower, but at the same time, noted that other product line demands is growing. Mr. Lupinacci noted that half of what is produced by Unifrax is exported out of New York State and also commented that the company considers all of its New York State

locations to be a single production system, instead of separate projects, and as such, by the end of 2019, Unifrax expects that its total employment will rebound statewide to the original number.

Mr. Briggs then spoke on behalf of United Steel Workers, noting that the union membership numbers have grown at Unifrax facilities and also urged Agency Policy Committee members to consider implementing the lowest possible recapture provisions in the best interests of Unifrax and the community.

Mr. Lipsitz then summarized the employment shortfall and recapture situations, commenting that the company is in breach of its job commitment obligation and confirming that two recapture options have been proposed and presented for discussion today.

Ms. Whyte stated her disapproval of Option 1 because the Agency has a past practice of not terminating 100% of financial assistance at the first instance of a material term violation and stated her preference for Option 2 because it acknowledges the company's job commitment but also recognizes the Agency's commitment to the company's growth as exhibited in the past and as is anticipated in 2019 and going forward.

Ms. Smith reiterated her concerns that she raised at last month's Policy Committee meeting noting that although these are permanent layoffs, the company did state that in 2019 it anticipated a significant amount of new hiring to allow the company to create new jobs and meet its job commitment. Ms. Smith asked if committee members would consider implementing a watch period to allow for a wait-and-see approach in recognition of the company's system-wide production activities similar to the FedEx solution implemented in the past. In this manner, we would allow time for the company to come back into compliance.

Ms. McDuffie expressed her support for looking at all of Unifrax's operations as a single system but noted that the Federal Express project did not involve a permanent layoff. Ms. McDuffie queried if laid off workers would be rehired. Mr. Lupinacci stated that laid off employees have a two year call back preference for re-hiring.

Ms. McDuffie stated she is not in favor of Option 1 and prefers Option 2.

Mr. Blue expressed support for allowing the company some amount of time to create the new jobs and rehire laid off employees.

Mr. State queried the company about how realistic their new hiring outlook and timeframe is. Mr. Dandolph responded that Unifrax has fully committed to making new investments in 2019 thus allowing the new hires to be made.

Mr. Krebs then asked for confirmation as to whether a third option was on the table to allow a watch period or some time to see if Unifrax is able to restore its job numbers.

Mr. Emminger then expressed support for Option 3 and noted that Unifrax has had a very good corporate presence in Erie County for decades but also stated that Unifrax should be

accountable for job commitment requirements and the watch period would allow time for Unifrax to establish new hires and if not met, there should be consequences.

Ms. Whyte asked for clarity on the FedEx resolution and whether all locations of FedEx were considered. Mr. Cappellino noted that FedEx had two facilities and had proposed only adding jobs at one facility, however, due to the physical layout of the facility, it was unable to fit all new hires into the initially proposed facility and as such, the Agency resolved to allow jobs at the second facility to be considered to allow the company to meet its job commitment goals.

Ms. McDuffie then asked if the company would be interested in having Pirson employment numbers applied to potential recapture scenarios. Mr. Cappellino commented that the Pirson project already has recapture material terms in place and commented on the difficulties in including and monitoring employee numbers at multiple locations.

Mr. Dandolph noted that products are first machined at the Pirson Parkway facility, then finished at the Firetower facility such that product lines and facilities are mutually dependent upon each other.

Ms. McDuffie asked for clarity as to whether laid off employees have hiring preferences. Mr. Cappellino noted that the new jobs proposed to be created will be at the Pirson Parkway facility and laid off Firetower employees may not have job preferences at the Pirson Parkway facility. Mr. Briggs confirmed that the Pirson Parkway facility is a non-union facility and stated that displaced Firetower employees should be given preference at the Pirson facility. Mr. Lupinacci concluded by stating displaced Firetower employees only have hiring preferences for new jobs at the Firetower facility.

Mr. Lipsitz stated that the proposed solution does not need to be this complicated and emphasized his support for Option 2 as a mild rebuke for failure by the company to meet its job commitments but also stated his belief that Option 2 was not too disruptive in total dollar amount.

Ms. Smith asked if the Committee would consider implementing Option 2 but with a watch period.

Ms. Whyte stated that if the layoffs were anything other than permanent layoffs, that she would be willing to accept Ms. Smith's proposal.

Mr. Weathers cautioned that the Policy Committee should consider that a solution proposed for Unifrax today will most likely need to be replicated to avoid being accused of being arbitrary and capricious in the future should a different approach be taken.

Mr. Krebs expressed his support for Option 2.

Ms. McDuffie expressed her preference for Option 2 because the employment shortfall involves the permanent layoff of employees. Ms. McDuffie then moved to support Option 2.



Ms. Whyte seconded the motion to approve of Option 2.

Mr. Murray and Mr. Cappellino then asked for confirmation that Option 2 should be amended to allow staff, on a year-to-year basis, to consider the percentage shortfall of employment numbers at the Unifrax Firetower location only, to avoid having to otherwise, on a year-to-year basis, present this issue to the Policy Committee in the future, until Unifrax comes back into compliance. Mr. Lipsitz confirmed and agreed with Mr. Murray's and Mr. Cappellino's statements amending the motion. Mr. Lipsitz then called for the vote, and the following resolution was unanimously approved: to increase Unifrax's Firetower PILOT payment amount based on the percentage that Unifrax is out of compliance with its job commitments at the Unifrax facility, as determined by staff on a year to year basis, being in the current year an 11% additional payment amount required to be made above its 2019 PILOT amounts for the county, town, and school.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 10:00 a.m.

Dated: January 3, 2019

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Robert G. Murray, Secretary



To: ECIDA Board of Directors  
Date: January 23, 2019  
Re: Unifrax Recapture Options

### **Background**

In August 2014, the ECIDA Board approved a sales and PILOT tax benefit to assist Unifrax in the construction of a 40,230-foot manufacturing facility. Unifrax invested approx. \$33,000,000 in the new facility located at 360 Firetower Drive in the Town of Tonawanda. As part of the material terms approved by the Board, Unifrax was required to retain 268 employees and create an additional 21 positions by June 30, 2018 (two years after project completion). Accordingly, Unifrax was required to have 289 employees as of June 30, 2018.

Unifrax received a sales tax benefit from 11/6/14 to 6/30/16. Unifrax's PILOT program runs from 2016-2025 for school taxes and the county and town PILOT programs run from 2017-2026.

As of September 30, 2018, Unifrax was compliant with all employment retention and job creation requirements reporting 323 employees. Representatives from Unifrax contacted the agency in late September to indicate that they would be announcing permanent layoffs at the Firetower facility. On October 12, 2018, Unifrax reported the permanent layoff of approximately 45 employees.

Unifrax is now reporting a total of 257 employees at the Firetower location, which is 32 employees short of its employment requirements. In September 2018, the ECIDA Board approved a two-tiered retention goal of 90 or 95 percent (depending on the number of employees a company has), however, the new policy does not apply to permanently laid off employees.

Unifrax has two other locations in Erie County, 95 Pirson Parkway and the Corporate Headquarters located at 600 Riverwalk Parkway, both in the Town of Tonawanda. The ECIDA does have a continuing incentive on the facility located at Pirson Parkway. Both facilities have employment which is not part of the numbers for the Firetower complex as indicated below.

(as of 10/12/18)

95 Pirson Parkway	27 FTE
600 Riverwalk Parkway	117 FTE

## Recapture Options

Recapture options for discussion with the Policy Committee.

**Option #1** – Effectively suspend Unifrax’s PILOT program until it meets the employment requirements. Unifrax would pay full taxes until it reached its goal of 289 employees.

Example based on Current PILOT and Tax Rates Example

Full Tax Payment	\$ 49,621
Current PILOT Payment	\$ 5,892
Net (additional amount)	\$ 43,729

**Option #2**- Increase Unifrax’s PILOT amounts based on the percentage that Unifrax is out of compliance. Unifrax was required to have 289 employees and it presently has 257 employees representing an 11 percent shortfall in overall employment requirement. The ECIDA would require Unifrax to pay an additional 11 percent above its 2019 PILOT amounts for the county, town, and school.

Example based on Current PILOT and Tax Rates, 11% increase

Full Tax Payment	\$ 49,621
Current PILOT Payment	\$ 5,892
11% Increase (additional amount)	\$ 4,810

The Policy Committee met on January 3 to discuss the above options and have unanimously recommended that the Board consider and approve Option #2.



Steve Weathers  
Chief Executive Officer  
Erie County Industrial Development Agency  
95 Perry Street, Suite 403  
Buffalo, New York 14203

Re: Reorganization in Tonawanda Operations

Dear Mr. Weathers:

As disclosed during Unifrax's meeting with Supervisor Joe Emminger and Mr. Cappellino on October 11<sup>th</sup> and further discussed with you during our meeting at Unifrax CHQ on November 7<sup>th</sup>, Unifrax has reorganized personnel and operations at our 360 Firetower Drive facility. These changes occurred on Friday, Oct 12<sup>th</sup> which resulted in the net reduction of 39 positions. This change was necessitated by some global demand shifts in our Thermal Management products produced at the Firetower Drive location.

Unifrax is firmly committed to its manufacturing and support operations in the Town of Tonawanda. Even after this reorganization, Unifrax still employs 274 full time employees at the Firetower Drive facility, and over 400 employees in Erie County. Unifrax has invested nearly \$100 million at our production facilities and global headquarters within the last six

years which includes most recently our first production line at the new Pirson Parkway facility that opened earlier this year.

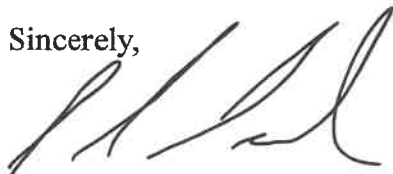
Moreover, we are in the process of investing an additional \$30M+ to commence a second production line at the Pirson facility creating additional jobs. Both of these lines were initially planned for locations in Europe with the ECIDA incentives granted being integral in the decision to locate the lines here in Tonawanda, NY.

Given the challenges at our Firetower Drive facility, Unifrax decided to forgo applying for any ECIDA incentives for this additional Pirson Parkway production line investment and associated job creation. While current total jobs are short of our ECIDA commitments at the Firetower Drive location due to the aforementioned challenges, headcount totals will exceed total ECIDA commitments at an aggregate level by Q3 2019 when considering the Firetower and Pirson locations in total.

Therefore, we ask to keep incentives granted to date fully intact as they are vital to retaining jobs and continuing investment locally.

We look forward to attending an upcoming ECIDA Policy Committee meeting to discuss further.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Dandolph', written over a horizontal line.

John Dandolph  
Chief Executive Officer  
Unifrax I LLC



## District 4

**John E. Shinn**  
District Director

**Del Vitale**  
Assistant to the Director

**James Briggs**  
Sub-District Director

December 4, 2018

Mr. Steven Weathers, EDcD, CEO  
Erie County Industrial Development Agency  
95 Perry Street, Suite 403  
Buffalo, NY 14203

Dear Mr. Weathers:

I am writing to you regarding Unifrax Corporation, which is a facility where the USW is the bargaining representative for the employees. It has come to the Union's attention that the Company has fallen short on commitments made around employment levels during the pilot process. It is our understanding that at this time, the ECIDA is reviewing this issue and will be imposing reclaim rights that they possess.

The Union would like to express our support for any consideration that can be given to Unifrax to mitigate the amount of reclaim that will be imposed. Our experience over the years with the Company has been a strong commitment to grow in our community. While our labor-management relationship has been strained and remains challenging, we do believe that a show of good faith by the ECIDA can lead to a strong, sustainable future for Unifrax in Western New York.

We appreciate and thank you for your anticipated cooperation concerning this issue, as we will continue to work with the Company and encourage compliance with the pilot provisions going forward.

In Solidarity,

Valerie Thomas  
Staff Representative  
United Steelworkers

CC: Richard Lipsitz, Vice Chairman, ECIDA  
John Dandolph, President & CEO, Unifrax Corp.  
Dan Beringer, Plant Manager  
Don Rice, President, USW LU 4-2058  
Jim Thompson, Unit Chair, USW LU 4-2058



**Unifrax 1, LLC**  
\$33,000,000  
**INDUCEMENT RESOLUTION**

**HIGHLIGHTS**

- Eligibility: NAICS Section - **32 manufacturing**

**COMPANY INCENTIVES**

- Approximately \$745,000 in real property tax savings
- Approximately \$398,000 in sales tax savings
- Up to \$130,000 in mortgage recording tax savings



Project Title: Unifrax 1, LLC

Project Address: 360 Firetower Drive  
Tonawanda, New York 14150  
(Kenmore-TTN UFSD)

NAICS: 327993

**Agency Request**

A sales tax, mortgage recording tax and real property tax abatement in connection with the acquisition of currently leased facilities and the construction of a 41,000 sq. ft. facility along with the acquisition and installation of machinery and equipment.

Building Acquisition	\$ 9,550,000
New Construction	3,200,000
Infrastructure	2,450,000
Manufacturing Equipment	17,000,000
Non-Manufacturing Equipment	500,000
Soft Costs	300,000
 Total Project Cost	 \$33,000,000
 85%	 \$28,050,000
 Estimated Mortgage	 \$13,000,000

**Company Description**

Unifrax is a manufacturer of high-temperature insulation products. Unifrax fiber products are used to solve application problems in the ferrous and non-ferrous metals, industrial chemicals, petroleum products, power generation, ceramic, glass, automotive, fire protection, aerospace, appliance and other industries.

With corporate headquarters in Tonawanda, Unifrax has three U.S. manufacturing facilities—Tonawanda and Sanborn, New York and New Carlisle, Indiana.

Unifrax acquired three leading North American vacuum forming businesses in 2011, with manufacturing facilities in Ohio and which specializes in the development, manufacture and sale of fiber-based value add shapes.

The company employs more than 1,600 people worldwide with 28 manufacturing facilities and various regional and sales locations in the US, Europe, Asia, South Africa and Latin America.

**Project Description**

Unifrax currently leases its manufacturing, warehouse and office facilities at 300/333/and 360 Firetower Drive and owns outright the adjacent warehouse building at 330 Firetower. They have a contract to purchase 300 Firetower and are in negotiations to purchase the remaining two buildings. In total the company either leases or owns over 250,000 sq. ft. in the Town.

The current project includes the construction of a 40,230 sq. ft. building which will connect the current manufacturing plant with the warehouse. The additional space being used for manufacturing.

The Town of Tonawanda was instrumental in advancing the project providing much needed acreage by abandoning a Town-owned cul-de-sac which was key to this expansion project.

## Project Benefits

The project will generate approximately \$200,000 of revenue to the local taxing jurisdictions over the abatement period representing \$26,000 to the County of Erie, \$73,000 to the Town of Tonawanda and \$100,000 to the Kenmore-TTN UFSD. The project is anticipated to retain 95 jobs and create an additional 25 new jobs.

## Employment

<u>Current</u>	<u>New Jobs Projected</u>	<u>Total of Current and projected Jobs 2 Years after Project Completion</u>
268	25	293

<u>Current Jobs to be Retained by Project</u>
95

## Project Incentives

- Approximately \$745,000 in real property tax savings
- Approximately \$398,000 in sales tax savings
- Approximately \$130,000 in mortgage recording tax savings

## PILOT Table

Year	%payment under PILOT	Est. County PILOT	Est. Town PILOT	Est. School PILOT	Est. Total PILOT	Full Taxes with- out PILOT	Net Exemp- tion
1	10%	\$1,225	\$3,470	\$4,745	\$9,440	\$94,380	\$84,940
2	10%	\$1,225	\$3,470	\$4,745	\$9,440	\$94,380	\$84,940
3	10%	\$1,225	\$3,470	\$4,745	\$9,440	\$94,380	\$84,940
4	20%	\$2,447	\$6,938	\$9,490	\$18,875	\$94,380	\$75,505
5	20%	\$2,447	\$6,938	\$9,490	\$18,875	\$94,380	\$75,505
6	20%	\$2,447	\$6,938	\$9,490	\$18,875	\$94,380	\$75,505
7	30%	\$3,670	\$10,400	\$14,230	\$28,300	\$94,380	\$66,080
8	30%	\$3,670	\$10,400	\$14,230	\$28,300	\$94,380	\$66,080
9	30%	\$3,670	\$10,400	\$14,230	\$28,300	\$94,380	\$66,080
10	30%	\$3,670	\$10,400	\$14,230	\$28,300	\$94,380	\$66,080
TOTAL PAYMENTS		\$25,696	\$72,824	\$99,625	\$198,145	\$943,800	\$745,655



**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount Total Project Amount = \$33,000,000 85% of total project amount = \$28,050,000
Employment	See Recapture Period	Maintain 100% of base (268) an 85% of projected jobs Projected Jobs (25) = 289 85%: 21 Total Jobs: 289
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Recapture Period	Coincides with 10-Year PILOT term	Recapture of State and Local Sales Taxes, mortgage recording tax and real property tax

Recapture applies to:

- State and local sales taxes
- Mortgage recording tax
- Real property tax

Pursuant to Section 875 of New York General Municipal Law, the agency may recover or recapture from the company any state sales and use tax exemption benefits taken by the company that are in violation of the GML.

In addition, it is the recommendation of the ECIDA's Policy Committee to recapture the local portion of the sales tax, mortgage recording taxes and real property taxes.

At completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed ii) confirm that company will maintain base employment of 268 and hire an additional 21 iii) confirm adherence to ECCIDA local labor hiring policy.

**Project History**

7/31/14	Public Hearing held. Transcript attached
8/19/14	Inducement Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
8/19/14	Lease/Leaseback inducement Resolution presented to the Board of Directors.

**Company History**

1988	\$4,250,000 Project Closed
1996	\$6,539,300 Project Closed
2000	\$2,200,000 Project Closed
2002	\$86,000 New York State Environmental Management Investment Grant
2011	\$3,035,000 Project Closed

**ECIDA Recapture History  
(as of 11/13/18)**

<b>Client</b>	<b>Induced</b>	<b>Job requirements</b>	<b>Issue</b>	<b>Result</b>
Niagara Blower (NB)	April 2013	Retain 110 employees & create 17 new positions by 6/30/16; total of 127 employees required beginning on 6/30/16	In 2013 NB had 94 employees; in May 2014 the ECIDA Policy Committee instructed ECIDA staff to monitor employment through interim surveys; in Sept. 2014 NB had 110 employees (back in compliance & interim surveys were discontinued); in April 2016, NB had 92 employees and they were below their employment requirements thereafter	In Jan. 2017, ECIDA received a letter from NB requesting that the ECIDA BOD approve a recapture amount of \$15,986.18; the BOD approved NB's request in Feb. 2017; NB had a 38% decline in its employment level which represented the recapture amount of \$15,986.18
555 Riverwalk Parkway (Fed-Ex)	April 2013	Original application: retain 168 employees and create 82 new positions by 8/31/16; total of 250 employees required beginning on 8/31/16  Amended: retain 168 employees at 555 Riverwalk and 603 employees at Cooper and create 70 new positions at either facility; total of 841 employees required beginning on 8/31/16	No issue until Fed-Ex needed 250 jobs on 8/31/16; in Sept. 2016 Fed-Ex had 207 employees; Fed-Ex requested that ECIDA BOD include its employees from the 170 Cooper Facility; in Dec. 2016 ECIDA BOD approved Fed-Ex's request	To date, there have been no employment issues since the BOD approved the change in December 2016. Fed-Ex has had well over 841 employees since December 2016
API Heat Transfer	November 2013	Retain 287 employees & create 6 new positions by 2/28/17; total of 293 employees required beginning on 2/28/17	In Dec. 2013, API had 286 employees; in Dec. 2014 they had 229 employees; in Dec. 2015 they had 244 employees; in March 2016 they had 247 employees; in Sept. 2016 the ECIDA BOD voted to recapture API's PILOT benefits; in Dec. 2016 API had 190 employees; in Mar. 2017 they had 191 employees; in May 2018, HB sent a notice of intent to recapture benefits to API; in June API had 195 employees	Policy Committee recommended no action on API's mortgage or sales tax benefits during the watch period and elimination API's PILOT benefits on a year to year basis, for each year they non-compliant they would pay full taxes, if however, they were to get back into compliance, they would resume the PILOT benefits for the remaining years. In early 2018 API requested termination of their inducement.

**ECIDA Recapture History  
(as of 11/13/18)**

Custom Sheet Metal (CSM)	December 2013	Retain 11 employees and retain 2 new positions by 8/31/16; total of 13 employees required beginning on 8/31/16	Throughout 2017, CSM was below its job requirements (11 employees in Q1, 10 employees in Q2, 11 employees in Q3, and 12 employees in Q4); in May 2018 this issue was discussed at the ECIDA's Chair/Vice meeting; Board Chair Brenda McDuffie & Policy Committee Chair Richard Lipsitz directed staff not to pursue a recapture action against CSM (pursuant to Section 5(b) of the Recapture Policy, as CSM had increased their employment to meet the requirement in early 2018.	CSM is currently in compliance; in Q1 and in Q2 of 2018 they had 13 employees
Seneca Mortgage (SM)	January 2014	Retain 270 employees & create 165 new positions by 3/31/18; total of 435 employees required by 3/31/18	Default event – In Sept. 2016 SM was sold to a third party; only 5 employees remained at the project site; in January 2017 the ECIDA Board voted to recapture \$219,000 which was the total amount of sales tax benefits that SM received	SM repaid the \$219,000 as required by the Board
Derrick Corporation (590 Duke)	June 2014	Retain 477 employees & create 8 new positions by 10/31/17; total of 485 employees required beginning on 10/31/17	In 2015, Derrick had 359 employees; in 2016 they had 318 employees	In June 2016, the ECIDA BOD voted to suspend Derrick's PILOT benefits; for the PILOT's years during the employment shortfall, with the opportunity for Derrick to resume the PILOT benefits if their employment rebounded to the required level. Shortly after, Derrick informed ECIDA staff that they would "rewind" the project; in July 2016, Derrick repaid \$444,000 in sales tax benefits; Derrick's PILOT had not yet started

**ECIDA Recapture History  
(as of 11/13/18)**

Unifrax – 360 Firetower facility	August 2014	Retain 268 employees and create 21 positions by 6/30/18; total of 289 employees required beginning on 6/30/18	In October 2018, Unifrax reported the permanent layoff of approximately 45 employees of the steel workers' union; as of Q2 2018, Unifrax had not fallen below its job requirements; in Q3 2018, Unifrax had 305 employees – they were in compliance as of 9/30/18	TBD
Derrick Corporation (585 Duke)	January 2015	Retain 477 employees (no job creation requirements)	In 2015, Derrick had 359 employees; in 2016 they had 318 employees	In June 2016, the ECIDA BOD voted to recapture Derrick's PILOT benefits; shortly after, Derrick informed ECIDA staff that they would "rewind" the project; in July 2016, Derrick repaid 65,000 in sales tax benefits; Derrick's PILOT had not yet started
Sodexo	August 2015	Retain 511 employees (no job creation requirements)	In June 2017, Sodexo had 504.5 FTEs; in Sept. 2017 they had 508.75 FTEs; in Dec. 2017 they had 495 FTEs; in July & Sept. 2018, the ECIDA Policy Committee discussed changes to its job retention requirements; in Sept. 2018, the ECIDA BOD approved the following change: companies with 150 or fewer employees must retain 90% of their retained employment level; companies with more than 150 employees must retain 95% of their retained employment level	Pursuant to the new policy, Sodexo must retain 485 employees; Sodexo has had more than 485 employees since 2016; any fluctuation in employment has not been the result of permanent layoff accordingly, they are in compliance

## ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

### RESOLUTION

A regular meeting of the Erie County Industrial Development Agency was convened on January 23, 2019, at 12:00 p.m.

The following resolution was duly offered and seconded, to wit:

RESOLUTION AUTHORIZING THE MODIFICATION OF THE AMOUNT PAYABLE UNDER THAT CERTAIN PAYMENT IN LIEU OF TAX AGREEMENT BY AND BETWEEN THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AND UNIFRAX I, LLC RESULTING FROM A JOB COMMITMENT SHORTFALL AND VIOLATION OF MATERIAL TERMS AND CONDITIONS REQUIRED TO BE MET AS A CONDITION OF RECEIPT OF FINANCIAL ASSISTANCE

WHEREAS, on August 19, 2014, the Erie County Industrial Development Agency (the "Agency") resolved (the "Resolution") to provide a New York State and local sales and use taxes exemption benefit, a partial real estate property tax abatement benefit, and a mortgage recording tax exemption benefit (collectively, the "Financial Assistance") with respect to the Unifrax I LLC (the "Company") construction, renovation, upgrading and equipping of their existing facility improvements and to include a new 40,230+/- SF connecting building for manufacturing operations located between 333 and 330 Fire Tower Drive and installing new L3 wet-forming production equipment in the building located at 360 Fire Tower Drive (the "Improvements") all located within Tonawanda, New York, along with the acquisition and installation in and around the existing improvements and proposed improvements by the Company of certain items of machinery, equipment and other tangible personal property (the "Equipment", and collectively with the land, the existing improvements and the Improvements, the "Facility" and all actions as described herein, the "Project"); and

WHEREAS, the provision of the Agency's Financial Assistance was memorialized in that certain Agent and Financial Assistance Agreement, by and between the Agency and the Company, dated as of November 3, 2014, (the "Agent Agreement"), and specifically, Section 2(g)(5)(d) of the Agent Agreement requires that the Company must maintain and create, through the termination of that certain Payment in Lieu of Tax Agreement, dated as of September 1, 2015, by and between the Company and the Agency (the "PILOT Agreement"), a total of 289 FTE employee positions at the Facility; and

WHEREAS, under Section 2(g)(5) of the Agent Agreement, the Company covenanted and agreed that it will cooperate with the Agency in its efforts to recover or recapture any and all Financial Assistance obtained by it, and promptly pay over any such amounts to the Agency that the Agency demands in connection therewith, in the event the Company fails to meet and maintain, amongst other items, certain employment thresholds as described herein; and

WHEREAS, on or about October 12, 2018, based on the Company's representation made to the Agency, the Company permanently laid off 45 FTE employees, resulting in the

employment of 257 FTE employees at the Project Facility, which is 32 FTE employees below the required 289 FTE positions at the Facility as required to be maintained and created per the Resolution and as expressed within the Agent Agreement; and

WHEREAS, based upon the foregoing, the Agency has initiated a proceeding as described in its Policy for Termination and/or Modification of Agency Financial Assistance and Recapture of Agency Financial Assistance Previously Granted ("Recapture and Termination Policy") as amended and restated on May 25, 2016; and

WHEREAS, on December 13, 2018, the Agency sent a Notice of Implementation of the Agency's Recapture and Termination Policy to the Company (the "Notice Letter") informing it of its job shortfall, as described above, and providing the Company with an opportunity to provide a written response to the Agency with respect to the job shortfall and to appear before the Agency's Policy Committee to provide an oral presentation to the Agency's Policy Committee with respect to same; and

WHEREAS, on January 3, 2019, in response to the Agency's Notice Letter, the Company met with the Agency's Policy Committee in accordance with the Recapture and Termination Policy and presented additional background with respect to the employment shortfall as described above; and

WHEREAS, on January 3, 2019, the Agency's Policy Committee, based upon the Company's failure to adhere to certain material terms for employment upon which the provision of Financial Assistance was conditioned upon, considered and debated two alternative recapture options developed by Agency staff and upon a motion made and seconded, the Policy Committee unanimously voted to recommend that the members of the Agency, at its next scheduled meeting, resolve to require a modification of the amount payable under the PILOT Agreement based upon the current 11% employment shortfall figure, which would result in an additional 11% payment above the Company's 2019 PILOT Agreement payment amount, being \$4,810.00, for the County of Erie, the Town of Tonawanda, and the Kenmore-Town of Tonawanda UFSD; and

WHEREAS, as required by the Agency's Recapture and Termination Policy, the Policy Committee hereby submits this written resolution to the Agency for its consideration; and

WHEREAS, as required by the Agency's Recapture and Termination Policy, the Company has been provided with an advance copy of this proposed resolution and has been given the opportunity to provide a written appeal to the Agency prior to the date hereof, said statement/appeal, if any, to be considered by the Agency prior to taking action on the recommendation from the Agency's Policy Committee as described herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:**

Section 1. The Agency determines that the Company has violated the terms of the Agency's Resolution and Section 2(g) of the Agent Agreement and hereby makes a Recapture Event Determination, as so defined therein, as provided for within Section 2(g) of the Agent Agreement.

Section 2. The Agency determines that, in this instance, based upon the actual 11% employment shortfall percentage as described herein, the Company shall be required to remit an additional 11% payment amount above its 2019 PILOT Agreement payment amount, being, in this instance, an amount equal to \$4,810.00, based upon its 11% employment commitment shortfall.

Section 3. The Agency requires that the Company, consistent with its covenants and agreements contained within the Agent Agreement, cooperate with the Agency in its efforts to recover the \$4,810.00 additional PILOT Agreement payment amount and promptly pay this amount to the Agency for ultimate pro-rata distribution to the County of Erie, the Town of Tonawanda, and the Kenmore-Town of Tonawanda UFSD; and

Section 4. The Agency further directs Agency staff, until the sooner to occur of either: (i) the time when the Company obtains compliance with its job commitment requirements or, (ii) upon the termination of the PILOT Agreement, to continue to monitor and account for the Company's employment commitments and, on a year to year basis, if an employment shortfall continues to exist, to modify the PILOT Agreement payment amount to account for any such employment shortfall percentage.

Section 5. The members, officers, and employees of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required, and to do all such further acts and things as may be necessary or, in the opinion of the officer or employee acting, desirable and proper, to effect the purposes of the foregoing resolution.

Section 6. This resolution shall take effect immediately.

Dated: January 23, 2018

**ROAR Logistics, Inc.**  
**\$3,425,000**  
**AMENDATORY INDUCEMENT RESOLUTION**

<div>ELIGIBILITY</div>	<div>Project Title:ROAR Logistics, Inc.</div>																					
<div><div>•NAICS Section - 488510</div></div>	<div>Project Address:535 Exchange Street Buffalo, NY 14204 (Buffalo City Schools)</div>																					
<div>COMPANY INCENTIVES</div>																						
<div><div>•Approximately \$149,000 in real property tax savings.</div><div>•Original -Approximately \$87,500 in sales tax savings</div><div>•Amended - Approximately \$140,000 in sales tax savings</div></div>	<div>Amended Agency Request</div> <div>To increase the sales tax benefit from \$87,500 to \$140,000 and overall project cost from \$2,160,00 to \$3,425,000</div> <div>Prior Agency Request</div> <div>A real property and sales tax exemption in connection with the construction of a 12,400 +/- sq. ft. facility for use as a back office operation.</div>																					
<div>PROJECT BENEFITS</div>																						
<div>The project will generate approximately \$40,500 of revenue to the local taxing jurisdictions over the abatement period representing \$8,500 to the County of Erie, \$32,000 to the City of Buffalo.</div>																						
<div>EMPLOYMENT</div>																						
<div><div>•Current: 49</div><div>•New Jobs Projected: 14</div><div>•Total Jobs after project completion: 63</div></div>	<table><tr><td></td><td>Prior</td><td>Current</td></tr><tr><td>Land Acquisition</td><td>\$100,000</td><td>\$453,000</td></tr><tr><td>Building</td><td>\$2,100,000</td><td>\$2,362,000</td></tr><tr><td>Equipment</td><td>\$200,000</td><td>\$250,000</td></tr><tr><td>Soft Costs</td><td>\$210,000</td><td>\$260,000</td></tr><tr><td>Total Project Costs</td><td>\$2,610,000</td><td>\$3,425,000</td></tr><tr><td>85%</td><td>\$2,218,500</td><td>\$2,911,250</td></tr></table>		Prior	Current	Land Acquisition	\$100,000	\$453,000	Building	\$2,100,000	\$2,362,000	Equipment	\$200,000	\$250,000	Soft Costs	\$210,000	\$260,000	Total Project Costs	\$2,610,000	\$3,425,000	85%	\$2,218,500	\$2,911,250
	Prior	Current																				
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Total Project Costs	\$2,610,000	\$3,425,000																				
85%	\$2,218,500	\$2,911,250																				
<div>PROJECT HISTORY</div>																						
<div><div>•05/21/2018 - Public hearing held. Transcript attached.</div><div>•06/27/2018 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.</div><div>•06/27/2018 - Lease/Leaseback Inducement Resolution presented to the Board of Directors</div><div>•01/23/2019 - Amendatory Inducement Resolution presented to the Board of Directors</div></div>	<div>ROAR Logistics is a 3rd party logistics provider specializing in truckload, intermodal, rail and international freight forwarding services. Corporate headquarters are in Buffalo with additional offices located in Georgia, Illinois, California and Texas. ROAR’s headquarter operations provide back office operations and administrative services.</div> <div>Approximately 90% of the company’s services are provided on a national basis. The company is owned 100% by Rich Family Holding.</div> <div>New Project Description</div> <div>The project consists of the construction and equipping of a 15,200 sq. ft. facility for use as back office operations.</div> <div>ROAR is currently located in the Adam’s Mark Hotel where they lease just under 9,000 sq. ft. Roar has outgrown its space at its exsisting location, and will exercise its right to terminate its lease upon construction completion. The additional space provided by the new facility will allow for the company to remain competitive with other national locations.</div>																					



### New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue Over 7-Year Abatement Period	Additional Local Revenue over 7-Year Abatement Period	New Yearly Taxes Upon Expiration of Abatement Period
\$750	\$800,000	\$8,500	\$32,000	\$27,000
Combined Tax Rate: \$34				

### Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount: \$3,425,000 85% : \$2,911,250
Employment	Coincides with 7-Year PILOT	Maintain Base: 49 Create 85% pf Projected Projected: 14 85%: 12 Recapture Employment: 61
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity/Unpaid Tax	Coincides with 7-Year PILOT project completion	Adherence to Policy
Recapture Period	7-Year PILOT Term	Recapture of State and Local Sales Taxes and Real Property Taxes

Recapture applies to:

State and Local Sales Taxes  
Real Property Tax

### Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount equal to or greater than 85% of the amount proposed; ii) confirm company has maintained 49 employees and created an additional 14 jobs iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
AMENDATORY INDUCEMENT RESOLUTION**

**ROAR LOGISTICS, INC., AND/OR INDIVIDUAL(S) OR AFFILIATE(S),  
SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS  
BEHALF**

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, January 23, 2019, at 12:00 p.m.

The following resolution was duly offered and seconded, to wit:

AMENDATORY INDUCEMENT RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE APPROVAL OF THE REVISION TO THE PROJECT DESCRIPTION AND THE APPROVAL OF A REVISED SALES AND USE TAX EXEMPTION BENEFIT WITH RESPECT TO THE ROAR LOGISTICS INC. PROJECT (AS MORE FULLY DESCRIBED BELOW)

**WHEREAS**, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 293 of the Laws of 1970 of the State of New York, as amended (collectively, the “Act”), the ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the “Agency”) was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing, commercial and other facilities as authorized by the Act; and

**WHEREAS**, the Company submitted an application to the Agency (the “Application”) requesting the Agency’s assistance with a certain project (the “Original Project”) consisting of: (i) a .95+/- acre parcel of vacant land located at 535 Exchange Street, City of Buffalo, Erie County, New York (the “Land”), (ii) the construction and equipping of a new 12,381+/- SF building to be utilized for office space (the “Improvements”), and (iii) the acquisition and installation by the Company of certain items of machinery, equipment and other tangible personal property (the “Equipment”, and collectively with the Land and the Improvements, the “Facility”); and

**WHEREAS**, pursuant to General Municipal Law Section 859-a, on May 21, 2018, at 9:00 a.m., at the Agency’s office located at 95 Perry Street, Suite 403, Buffalo, New York 14203, the Agency held a public hearing with respect to the Original Project and the proposed Financial Assistance (as hereinafter defined) being contemplated by the Agency (the “Public Hearing”) whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

**WHEREAS**, by resolution adopted on June 27, 2018, (the “Original Resolution”) the Agency: (i) determined that the Original Project will not have a “significant effect on the

environment” as such quoted term is defined under Article 8 of the New York Environmental Conservation Law and the regulations promulgated thereto in 6 N.Y.C.R.R. Part 617 (collectively referred to as or “SEQR”), that no “environmental impact statement” as such quoted term is defined in SEQR, need be prepared for this action, and issued a Negative Declaration pursuant to 6 N.Y.C.R.R. § 617.7 of the SEQR regulations with respect to the Original Project, and (ii) authorized financial assistance to the Company with respect to the Original Project in the form of (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, and equipping of the Facility and (b) a partial abatement from real property taxes benefit through a seven (7) year term PILOT Agreement for the benefit of each municipality and school district having taxing jurisdiction over the Original Project, (collectively, the sales and use tax exemption benefit and the partial abatement from real property taxes benefit, are hereinafter collectively referred to as the “Financial Assistance”); and

**WHEREAS**, on January 4, 2019, the Agency received an amended application (the “Amended Application”) from the Company requesting a revision to the scope of the Original Project to include an increase in the square footage of the new building from 12,381+/- SF to 15,000+/- SF and an increase in the project cost from \$2,610,000 to \$3,425,000.00 (the “Amended Project”), and requesting additional New York State and local sales and use tax exemption benefits in an amount not to exceed \$52,500.00 (the “Additional Sales Tax Exemption Benefit”); and

**WHEREAS**, the Additional Sales Tax Exemption Benefit will not exceed \$100,000 and, therefore, a public hearing is not required to be held by the Agency; and

**WHEREAS**, the Amended Project is a Type II Action as defined by SEQR, and therefore, no further action or environmental review under SEQR is required in connection hereto.

**WHEREAS**, the Agency desires to amend the Original Resolution and approve this Amendatory Inducement Resolution with respect to the Amended Project and the Additional Sales Tax Exemption Benefit in order to revise of the scope of the Original Project.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:**

Section 1. All recitals, findings and determinations of the Agency contained in the Original Resolution are hereby reaffirmed, ratified, restated and incorporated herein by reference as if set forth herein in their entirety, except as modified by this Amendatory Inducement Resolution.

Section 2. With respect to the foregoing, and based upon the representations and warranties made by the Company in its Amended Application for Financial Assistance, the Agency hereby authorizes and approves the additional New York State and local sales and use tax exemption benefits with respect to the revision to the scope of the Original Project to include an increase in the square footage of the new building and the increased costs.

Section 3. Based upon the representations and warranties made by the Company in its application with respect to the Amended Project, subject to the terms and conditions as described herein, and Agency board member review, discussion and consideration of same, the Agency hereby finds, determines and hereby amends the second full paragraph in Section 3 of the Original Resolution in its entirety to read as follows:

With respect to the foregoing, and based upon the representations and warranties made by the Company in its Amended Application for Financial Assistance, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Amended Project and that would otherwise be subject to New York State and local sales and use tax in an estimated amount up to \$1,600,000.00, which may result in New York State and local sales and use tax exemption benefits (“sales and use tax exemption benefits”) not to exceed \$140,000.00. The Agency may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

Section 4. Section 3(i) and 3(ii) of the Original Resolution are hereby replaced in their entirety to read as follows:

- (i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$2,911,250 (which represents the product of 85% multiplied by \$3,425,000 [representing the total project cost as stated in the Company’s Amended Application for Financial Assistance]);
- (ii) Employment Commitment – that there are at least 49 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company’s Amended Application for Financial Assistance (the “Baseline FTE”); and
  - the number of current FTE employees in the then current year at the Facility; and
  - that the Company has maintained and created FTE employment at the Facility equal to 61 FTE employees [representing the sum of the Baseline FTE plus 12, where 12 is the product of 85% multiplied by 14 (being the total number of new FTE employee positions as proposed to be created by the Company as stated in the Company’s Amended Application for Financial Assistance)]. In an effort to confirm and verify the Company’s employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency’s “Quarterly Employment Survey” form to be made available to the Company by the Agency.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 6. All actions heretofore undertaken by the Agency and the Company, as agent of the Agency, are ratified and approved and the Agency and the Company, as agent of the Agency, are hereby authorized to continue to undertake the Amended Project.

Section 7. These Resolutions shall take effect immediately.

Dated: January 23, 2019



## Roar Logistics

### Section I: Applicant Background Information

#### Applicant Information - Company Receiving Benefit

<b>Project Name</b>	ROAR Logistics
<b>Applicant Name</b>	ROAR Logistics, Inc
<b>Applicant Address</b>	120 Church St
<b>Applicant Address 2</b>	Suite 100
<b>Applicant City</b>	Buffalo
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	14202
<b>Phone</b>	716-833-7878
<b>Fax</b>	716-332-0316
<b>E-mail</b>	tmathien@roarlogistics.com
<b>Website</b>	www.roarlogistics.com
<b>Federal ID#</b>	20-0164336
<b>NAICS Code</b>	54614
<b>Will a Real Estate Holding Company be utilized to own the Project property/facility</b>	No
<b>What is the name of the Real Estate Holding Company</b>	
<b>Federal ID#</b>	
<b>State and Year of Incorporation/Organization</b>	
<b>List of stockholders, members, or partners of Real Estate Holding Company</b>	

#### Individual Completing Application

<b>Name</b>	Tim Mathien
<b>Title</b>	Vice President
<b>Address</b>	120 Church Street
<b>Address 2</b>	Suite 100
<b>City</b>	Buffalo
<b>State</b>	New York
<b>Zip</b>	14202

**Phone**

716-512-6488

**Fax**

716-332-1335

**E-Mail**

tmathien@roarlogistics.com

Company Contact (if different from individual completing application).**Name****Title****Address****Address 2****City****State****Zip****Phone****Fax****E-Mail**Company Counsel**Name of Attorney** John A. Pappano**Firm Name** Phillips Lytle LLP**Address** 125 Main Street**Address 2****City** Buffalo**State** New York**Zip** 14203-2887**Phone** 716-847-5404**Fax** 716-852-6100**E-Mail** jpappano@phillipslytle.comIdentify the assistance being requested of the Agency.**Exemption from Sales Tax** Yes**Exemption from Mortgage Tax** No**Exemption from Real Property Tax** Yes**Tax Exempt Financing\*** No

\* (typically for not-for-profits &amp; small qualified manufacturers)

Business Organization**Type of Business** Corporation**Type of Ownership****Year Established** 2003**State of Organization** DelawareList all stockholders, members, or partners with % of ownership greater than 20%



**Please include name and % of ownership.**

R.E. Rich Family Holding - 100%

Applicant Business Description

**Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility**

ROAR Logistics is a 3rd party logistics provider specializing in truckload, intermodal rail, and international freight forwarding services. Corporate headquarters are in Buffalo, NY with additional offices in Georgia, Illinois, California, and Texas. ROAR HQ operates and provides back office operations and administrative services. The company is currently located in the Adam's Mark Hotel in 9,000 sq. ft. of leased space. The company is 100% owned by Rich Family Holding.

<b>Estimated % of sales within Erie County</b>	8
<b>Estimated % of sales outside Erie County but within New York State</b>	5
<b>Estimated % of sales outside New York State but within the U.S.</b>	87
<b>Estimated % of sales outside the U.S.</b>	0

(\*Percentage to equal 100%)

**What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County? Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation of the estimated percentage of local purchases**

Office supply purchases are minimal. MVP Consulting of Buffalo provides IT support on a contractual basis.

## **Section II: Eligibility Questionnaire - Project Description & Details**

### Project Location

#### **Municipality or Municipalities of current operations**

Buffalo, NY

#### **Will the Proposed Project be located within a Municipality identified above?**

Yes

#### **In which Municipality will the proposed project be located**

#### **Address**

535 Exchange Street

#### **Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the state?**

No

#### **If the Proposed Project is located in a different Municipality than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?**

No

(If yes, you will need to complete the Retail Section of this application)

#### **SBL Number for Property upon which proposed Project will be located**

122.25-1-2.2

#### **What are the current real estate taxes on the proposed Project Site**

City 590 County 148

#### **Assessed value of land**

20,800

#### **Assessed value of building(s)**

0

#### **Are Real Property Taxes current?**

Yes

#### **If no please explain**

#### **Town/City/Village of Project Site**

Buffalo, NY

#### **School District of Project Site**

City of Buffalo

#### **Does the Applicant or any related entity currently hold fee title to the Project site?**

Yes

#### **If No, indicate name of present owner of the Project Site**

#### **Does Applicant or related entity have an option/contract to purchase the Project site?**

No

#### **Describe the present use of the Proposed Project site**

Vacant

#### **Please provide narrative of the proposed project and the purpose of the proposed project (new build, renovations, and/or**

**equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)**

ROAR is currently located in the Adam's Mark Hotel in appx. 9,000 sq. ft. of leased space. Having outgrown the leased space, we are looking to construct a 15,000 sq. ft. new facility of Exchange Street in the City of Buffalo. The amendment being requested is for an increase in the overall cost of the project as well as an increase in the size of the building from 12,400 sq. ft. to appx. 15,000 sq. ft. The new facility will allow for anticipated future growth.

**If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:**

**Describe the reasons why the Agency's Financial Assistance is necessary and how the Financial Assistance enables the company to undertake the Project to facilitate investment, job creation and/or job retention. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)**

The company currently operates in a commercial space in the Adams Mark Hotel and has outgrown its space. It desires to remain in the City of Buffalo, and availability of free or low cost parking is a requirement. The chosen site on Exchange St is one of the few sites that meets Roar's needs. ECIDA assistance is necessary to keep the company's overall occupancy costs competitive with other possible locations elsewhere in the country.

**Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency**

Yes

**If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?**

Roar Logistics is able to conduct its operations most anywhere within the US. Not obtaining ECIDA assistance would result in the company exploring other locations outside of Erie County resulting in the possible loss of 45 good paying jobs.

**Will project include leasing any equipment?**

No

**If yes, please describe equipment and lease terms.**

#### Site Characteristics

**Will the Project meet zoning/land use requirements at the proposed location?**

Yes

**Describe the present zoning/land use**

Property was rezoned on May 8, 2018 from C-R Rail to D-IL Light Industrial

**Describe required zoning/land use, if different**

The company was approved for rezoning to D-IL Light Industrial.

**If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements**

Architectural firm is in the process of finalizing site plan and applying for rezoning. The rezoning application will be before the Common Council at its May 1, 2018 meeting.

**Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?**

Yes

**If yes, please explain**

Historically the site was owned by Conrail before being acquired by the City. More recently the City sold off the parcel to a private developer. The site was part of a rail yard that ran along Exchange St. Environmental investigations by the City of Buffalo indicate the presence of certain contaminants normally associated with 'urban areas' that will require special handling of the soils during the construction phase.

**Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?**

Yes

If yes, please provide a copy.

**Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development?**

Yes

If yes, please provide copies of the study.

**If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?**

You may also attach additional information about the machinery and equipment at the end of the application.

**Does or will the company or project occupant perform research and development activities on new products/services at the project location?**

No

If yes, please explain.

**What percentage of annual operating expenses are attributed to the above referenced research and development activities?**

Select Project Type for all end users at project site (you may check more than one).

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Determination contained in Section IV of the Application.

Please check any and all end uses as identified below.

**Retail Sales**      No                                      **Services**      No

For purposes of this question, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4) (i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

**No Manufacturing**

**No Acquisition of Existing Facility**

**No Housing**

**No Equipment Purchase**

**No Multi-Tenant**

**No Commercial**

**Yes Back Office**

**No Retail**

**No Mixed Use**

**No Facility for the Aging**

**No Civic Facility (not for profit)**

**Yes Other**

**Call center for transportation  
distributive services**

Project Information**Estimated costs in connection with project****Land and/or Building Acquisition**

\$ 100,000	square feet	1 acres
------------	-------------	---------

**New Building Construction**

\$ 2,362,000	15,000 square feet
--------------	--------------------

**New Building addition(s)**

\$ 0	square feet
------	-------------

**Infrastructure Work**

\$ 0
------

**Renovation**

\$ 0	square feet
------	-------------

**Manufacturing Equipment**

\$ 0
------

**Non-Manufacturing Equipment: (furniture, fixtures, etc.)**

\$ 250,000
------------

**Soft Costs: (professional services, etc.)**

\$ 260,000
------------

**Other Cost**

\$ 453,000
------------

**Explain Other Costs**

Site infrastructure cost
--------------------------

**Total Cost**

\$ 3,425,000
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**Project Refinancing; estimated amount (for refinancing of existing debt only)**

\$ 0
------

**Have any of the above costs been paid or incurred as of the date of this Application?**

Yes
-----

**If Yes, describe particulars:**

site acquisition
------------------

Sources of Funds for Project Costs:**Equity (excluding equity that is attributed to grants/tax credits):**

\$ 3,425,000
--------------

**Bank Financing:**

\$ 0
------

**Tax Exempt Bond Issuance (if applicable):**

\$ 0
------

**Taxable Bond Issuance (if applicable):**

\$ 0
------

**Public Sources (Include sum total of all state and federal grants and tax credits):**

\$ 0

**Identify each state and federal grant/credit:****Total Sources of Funds for Project Costs:**

\$3,425,000

**Has a financing preapproval letter or loan commitment letter been obtained?**

No

Mortgage Recording Tax Exemption Benefit:**Estimated Mortgage Amount (Sum total of all financing – construction and bridge).****\*Amount of mortgage, if any, that would be subject to mortgage recording tax.**

\$ 0

**Lender Name, if Known****Estimated Mortgage Recording Tax Exemption Benefit (% of estimated mortgage amount stated above):**

\$0

Construction Cost Breakdown:**Total Cost of Construction**

\$ 2,815,000 (sum of 2,3,4,5, and/or 7 in Question K, above)

**Cost for materials**

\$ app. \$1,600,000

**% sourced in Erie County**

approx 90%%

**% sourced in State**

Balance% (including Erie County)

**Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit**

\$ 1,600,000

**Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):**

\$ 140,000

Real Property Tax Benefit:**Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit:**For proposed facility please include # of sq ft for each of the uses outlined below

		<b>Cost</b>	<b>% of Total Cost</b>
<b>Manufacturing/Processing</b>	square feet	\$ 0	0
<b>Warehouse</b>	square feet	\$ 0	0
<b>Research &amp; Development</b>	square feet	\$ 0	0
<b>Commercial</b>	square feet	\$ 0	0
<b>Retail</b>	square feet	\$ 0	0
<b>Office</b>	15,000 square feet	\$ 2,815,000	100
<b>Specify Other</b>	square feet	\$ 0	0

**If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?**

No

**If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)**

<BLANK>

**Provide estimate of additional construction cost as a result of LEED certification you are seeking**

**Will project result in significant utility infrastructure cost or uses**

No

What is your project timetable (Provide dates).

**Start date : acquisition of equipment or construction of facilities**

2/1/2019

**End date : Estimated completion date of project**

8/31/2019

**Project occupancy : estimated starting date of operations**

8/31/2019

**Have construction contracts been signed?**

No

**Have site plans been submitted to the appropriate planning department for approval?**

No

**Has the Project received site plan approval from the appropriate planning department?**

No

**Is project necessary to expand project employment?**

Yes

**Is project necessary to retain existing employment?**

Yes

Employment Plan (Specific to the proposed project location):

	Current # of jobs at proposed project location or to be relocated at project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PT jobs to be created upon TWO Years after Project Completion **
<b>Full time</b>	49	49	14	14
<b>Part time</b>	0	0	0	0
<b>Total</b>	49	49	14	

\*\* The Labor Market Area includes the Counties of Erie, Niagara, Genesee, Cattaraugus, Wyoming and Chautauqua. For the purposes of this question, please estimate the number of FTE and PT jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column.

\*\*\*By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period



following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2).

Salary and Fringe Benefits for Jobs to be Retained and Created:

<b>Category of Jobs to be Retained and Created</b>	<b># of Employees Retained and Created</b>	<b>Average Salary for Full Time</b>	<b>Average Fringe Benefits for Full Time</b>	<b>Average Salary for Part Time (if applicable)</b>	<b>Average Fringe Benefits for Part Time (if applicable)</b>
<b>Management</b>	7	\$ 125,000	\$ 33,000	\$ 0	\$ 0
<b>Professional</b>	46	\$ 42,000	\$ 11,000	\$ 0	\$ 0
<b>Administrative</b>	10	\$ 35,000	\$ 9,500	\$ 0	\$ 0
<b>Production</b>	0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Independent Contractor</b>	0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Other</b>	0	\$ 0	\$ 0	\$ 0	\$ 0

Employment at other locations in Erie County: (provide address and number of employees at each location):

<b>Address</b>			
<b>Full time</b>	0	0	0
<b>Part time</b>	0	0	0
<b>Total</b>	0	0	0

**Will any of the facilities described above be closed or subject to reduced activity?**

No

Payroll Information**Annual Payroll at Proposed Project Site**

\$ 3,300,000

**Estimated average annual salary of jobs to be retained (Full Time)**

\$ 62,500

**Estimated average annual salary of jobs to be retained (Part Time)**

\$ 0

**Estimated average annual salary of jobs to be created (Full Time)**

\$ 42,000

**Estimated average annual salary of jobs to be created (Part Time)**

\$ 0

**Estimated salary range of jobs to be created****From (Full Time)**

\$ 35,000

**To (Full Time)** \$ 80,000**From (Part Time)**

\$ 0

**To (Part** \$ 0**Time)****Is the project reasonably necessary to prevent the project occupant from moving out of New York State?**

Yes

**If yes, please explain and identify out-of-state locations investigated****What competitive factors led you to inquire about sites outside of New York State?**

Lower operating costs and proximity to customers

**Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?**

No

**If yes, please indicate the Agency and nature of inquiry below****Do you anticipate applying for any other assistance for this project?**

No

**If yes, what type of assistance (Historic Tax Credits, 485(a), Grants, Utility Loans, Energy Assistance, Workforce Training)**

### Section III: Facility Type - Single or Multi Tenant

#### Is this a Single Use Facility or a Multi-Tenant Facility?

Single Use Facility

#### For Single Use Facility

**Occupant Name** ROAR Logistics, Inc.  
**Address** 120 Church Street, Suite 100  
**Contact Person** Tim Mathien  
**Phone** 716-512-6488  
**Fax** 716-332-1335  
**E-Mail** tmathien@roarlogistics.com  
**Federal ID #** 20-0164336  
**SIC/NAICS Code**

#### Multi-Tenant Facility

**Please explain what market conditions support the construction of this multi-tenant facility**

**Have any tenant leases been entered into for this project?**

<BLANK>

**If yes, please fill out a tenant form in section VII, for each tenant.**

Tenant Name	Current Address (city, state, zip)	# of sq ft and % of total to be occupied at new projet site	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.
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## **Section IV: Tenant Information**

## Section V: Environmental Questionnaire

### General Background Information

**Address of Premises** 535 Exchange Steet Buffalo, NY 14210

**Name and Address of Owner of Premises** 576 Associates LLC 701 Seneca Street Suite 200 Buffalo, NY 14210

**Describe the general features of the Premises (include terrain, location of wetlands, coastlines, rivers, streams, lakes, etc.)**

Vacant lot in former industrial area that is now mostly grass.

**Describe the Premises (including the age and date of construction of any improvements) and each of the operations or processes carried out on or intended to be carried on at the Premises**

**Describe all known former uses of the Premises**

Former rail yard property.

**Does any person, firm or corporation other than the owner occupy the Premises or any part of it?**

No

**If yes, please identify them and describe their use of the property**

**Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?**

No

**If yes, describe and attach any incident reports and the results of any investigations**

Refer to attached Phase 1 and Phase 2

**Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?**

No

**If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances**

**Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?**

No

**If yes, describe in full detail**

### Solid And Hazardous Wastes And Hazardous Substances

**Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?**

No

**If yes, provide the Premises' applicable EPA (or State) identification number**

**Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?**

No

**If yes, please provide copies of the permits.**

**Identify the transporter of any hazardous and/or solid wastes to or from the Premises**

**Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years**

**Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?**

No

**If yes, please identify the substance, the quantity and describe how it is stored**

#### Discharge Into Waterbodies

**Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges**

**Identify all sources of discharges of water, including discharges of waste water, process water, contact or noncontact cooling water, and stormwater. Attach all permits relating to the same. Also identify any septic tanks on site**

**Is any waste discharged into or near surface water or groundwaters?**

No

**If yes, please describe in detail the discharge including not only the receiving water's classification, but a description of the type and quantity of the waste**

#### Air Pollution

**Are there or is it contemplated that there will be any air emission sources that emit contaminants from the Premises?**

No

**If yes, describe each such source, including whether it is a stationary combustion installation, process source, exhaust or ventilation system, incinerator or other source**

**Are any of the air emission sources permitted?**

No

**If yes, attach a copy of each permit.**

#### Storage Tanks

**List and describe all above and under ground storage tanks at the Premises used to store petroleum or gasoline products, or other chemicals or wastes, including the contents and capacity of each tank. Please also provide copies of any registrations/permits for the tanks**

**Have there been any leaks, spills, releases or other discharges (including loss of inventory) associated with any of these tanks?**

No

**If yes, please provide all details regarding the event, including the response taken, all analytical results or reports developed through investigation (whether internal or external), and the agencies which were involved**

#### Polychlorinated Biphenyls ("PCB" or "PCBs") And Asbestos

**Provide any records in your possession or known to you to exist concerning any on-site PCBs or PCB equipment, whether used or stored, and whether produced as a byproduct of the manufacturing process or otherwise.**

**Have there been any PCB spills, discharges or other accidents at the Premises?**

No

**If yes, relate all the circumstances**

**Do the Premises have any asbestos containing materials?**

No

**If yes, please identify the materials**

## Section VI: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

**Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state?** No

**Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?** No

**If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:**

**Does this project involve relocation or consolidation of a project occupant from another municipality or abandonment of an existing facility?**

**Within New York State** No

**Within Erie County** No

**If Yes to either question, please, explain**

**Will the project result in a relocation of an existing business operation from the City of Buffalo?**

No

**If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)**

**What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)**

**If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?**

Yes

**What factors have lead the project occupant to consider remaining or locating in Erie County?**

**If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?**

**Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.**

## Section VII: Adaptive Reuse Projects

Are you applying for tax incentives under the Adaptive Reuse Program? No

What is the age of the structure (in years)? 0

Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended) <BLANK>

If vacant, number of years vacant. 0

If underutilized, number of years underutilized. 0

Describe the use of the building during the time it has been underutilized:

Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class) <BLANK>

If yes, please provide dollar amount of income being generated, if any \$

If apartments are planned in the facility, please indicate the following:

	Number of Units	Sq. Ft. Range Low to High	Rent Range Low to High
1 Bedroom	0	0	\$ 0
2 Bedroom	0	0	\$ 0
3 Bedroom	0	0	\$ 0
Other	0	0	\$ 0

Does the site have historical significance? No

Are you applying for either State/Federal Historical Tax Credit Programs? No

If yes, provide estimated value of tax credits \$

Briefly summarize the financial obstacles to development that this project faces without ECIDA or other public assistance. Please provide the ECIDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)

Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide ECIDA with documentation of this support in the form of signed letters from these entities

Please indicate other factors that you would like ECIDA to consider such as: structure or site presents significant public safety hazard and or environmental remediation costs, site or structure is located in a distressed census tract, structure presents significant costs associated with building code compliance, site has historical significance, site or structure is presently delinquent in property tax payments



## **Section VIII: Senior Citizen Rental Housing Projects**

**Are you applying for tax incentives under the Senior Rental Housing policy?**

No

**Has the project received written support from the city, town or village government in which it is located?**

<BLANK>

**Describe the location of the project as it relates to the project's proximity to the town / village / city center or to a recognized hamlet.**

**Is the project consistent with the applicable municipal master plan?**

<BLANK>

**If yes, please provide a narrative identifying the master plan (by name) and describing how the project aligns with the plan details**

**Does the project advance efforts to create a walkable neighborhood and community in proximity to important local amenities and services?**

<BLANK>

**If yes, please provide a narrative describing the walkable nature of the project including access seniors would have to specific neighborhood amenities.**

**Has a market study shown that there is a significant unmet need in the local community or specific neighborhood where seniors are unable to find appropriate housing opportunities?**

<BLANK>

**Is the project located in an area (defined as a 1 – 5 mile radius of the project site) where there are significant local resident populations that are at or below the median income level?**

<BLANK>

**If yes, please describe how you made this determination based upon census tract and other relevant third party data.**

**Does the project provide amenities that are attractive to seniors and differentiates the project from standard market rate housing?**

<BLANK>

**If yes, please describe these amenities (examples may include: community rooms, social / recreational activity areas, senior-oriented fixtures and safety amenities, security systems, call systems, on site medical services)**

**Are there impediments that hinder the ability to conventionally finance this project and /or negatively impact the project's return on investment?**

<BLANK>

**If yes, please briefly summarize the financial obstacles to development that this project faces without IDA or other public assistance. Please provide the IDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)**

**Will the project target (and maintain during the incentive period) a minimum 50% occupancy rate of senior citizens whose income is at or below 60-80% of the median income for Erie County?**

<BLANK>

**If yes, please describe provide a narrative citing key facts that substantiate this finding.**

## Section IX: Retail Determination

**Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?** No

If yes, complete the Retail Questionnaire Supplement below.

**What percentage of the cost of the project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project?** 0 %

If the answer to this is **less than 33%** do not complete the remainder of the page and proceed to the next section (Section V: Inter-Municipal Move Determination).

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

**Will the project be operated by a not-for-profit corporation?** <BLANK>

**Is the project location or facility likely to attract a significant number of visitors from outside the economic development region (Erie, Niagara, Allegheny, Chautauqua and Cattaraugus counties) in which the project will be located?** <BLANK>

If yes, please provide a third party market analysis or other documentation supporting your response.

**Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality? Are services provided at the proposed project site needed because of a lack of reasonably accessible retail trade facilities offering such goods or services?** <BLANK>

If yes, please provide a market analysis supporting your response.

**Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in the State of New York?** <BLANK>

If yes, explain

**Is the project located in a Highly Distressed Area?** Yes

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)  
BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORP (RDC)  
BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORP (ILDC)**

**Legal RFP Timetable**

Anticipated Date		Date Completed
July 25 <sup>th</sup>	Board notified of intent to draft & issue legal RFP	✓ July 25 <sup>th</sup>
August 20 <sup>th</sup> – 24 <sup>th</sup>	Draft RFP & scoring sheet distributed to Governance Committee for review & comments	✓ August 24 <sup>th</sup>
September 3 <sup>rd</sup> – 7 <sup>th</sup>	Final RFP distributed to Board for information purposes	✓ September 7 <sup>th</sup>
September 17 <sup>th</sup>	Legal RFP mailed to top 20 largest Erie County law firms and notice published in various publications and website	✓ September 17 <sup>th</sup>
September 24 <sup>th</sup>	Due date for questions regarding Legal RFP from bidders	✓ September 24 <sup>th</sup>
September 28 <sup>th</sup>	Responses to Legal RFP Questions issued to all potential bidders	✓ September 28 <sup>th</sup>
October 19 <sup>th</sup>	Due date for Legal RFP responses	✓ October 19 <sup>th</sup>
October 22 <sup>nd</sup> – mid-November	Legal RFP responses reviewed, ranked and discussed by review team	✓ November 20 <sup>th</sup>
November – December 2018	Interviews conducted for top-ranked General Counsel, Loan Counsel & Tax-Exempt Bond Counsel firms by review team	✓ December 18 <sup>th</sup>
December 2018	References checked (as needed) for top-ranked legal firms by review team	✓ December 2018
January 2019	Governance Committee review and recommendation of legal counsel	Meeting January 23 <sup>rd</sup>
February 2019	Board Meeting to approve Governance Committee's recommended legal counsel	Anticipated February 27 <sup>th</sup>
By April 30 <sup>th</sup>	New Contract finalized with selected legal counsel*	

\* Note: Current contracts expire May 1, 2019